



## “Venus Pipes and Tubes Limited Q1 FY ‘26 Earnings Conference Call”

**August 12, 2025**

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*Venus Pipes and Tubes Limited*  
*August 12, 2025*



**MANAGEMENT:** **MR. ARUN KOTHARI -- MANAGING DIRECTOR, VENUS PIPES AND TUBES LIMITED**  
**MR. DHRUV PATEL -- WHOLE TIME DIRECTOR, VENUS PIPES AND TUBES LIMITED**  
**MR. KUNAL BUBNA -- CHIEF FINANCIAL OFFICER, VENUS PIPES AND TUBES LIMITED**  
**MODERATOR:** **MR. AASIM BHARDE -- DAM CAPITAL ADVISORS LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to Venus Pipes and Tubes Limited Q1 FY '26 Earnings Conference Call hosted by DAM Capital Advisors Limited.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “\*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aasim Bharde from DAM Capital Advisors. Thank you. And over to you, sir.

**Aasim Bharde:** Thank you. Thank you, Nirav. Good evening. On behalf of DAM Capital, I welcome you all to the Q1 FY '26 Earnings Conference Call of Venus Pipes and Tubes Limited.

We are happy to host our Management Team. which is represented by, Mr. Arun Kothari – Managing Director; Mr. Dhruv Patel – Whole Time Director and Mr. Kunal Bubna – CFO

We will have the opening remarks from the Management followed by a Q&A session. Thank you, and over to you, Mr. Arun.

**Arun Kothari:** Good evening and a warm welcome to everyone on the Q1 FY '26 Earning Call for Venus Pipes and Tubes Limited. I have been joined by Mr. Dhruv Patel – our Director, Mr. Kunal Bubna – our CFO, and SGA, our Investor Relations Advisor. We have uploaded our Q1 FY '26 Investor Presentation on Stock Exchanges and Company's website. And I hope you had an opportunity to go through the same.

**I will begin with a brief update on the company, then move to our company's performance during the quarter:**

The global economy is facing several headwinds with uncertainties around tariffs and conflicts, like situation in many parts of the world, the era of globalization is slowing down. And many companies, especially in the western world, are focusing on becoming more self-reliant rather than depending on other nations for their supply chain and manufacturing.

However, we believe this shift has its own challenges. While being indigenous can bring benefit in certain industries, the reality is that high labour costs, rising energy prices, and the lack of skilled manpower make it difficult for the west to be fully self reliant.

The west will continue to lead in technology, but countries like India, China, and others have the advantage of skilled labour at competitive costs. India continues to hold a relatively stronger position compared to the many other economies. While we do feel some ripple effects of the global uncertainties, India's growth story remains strong. In fact, it is expected to be the fastest growing major economy in the world.

**Coming to the performance of the company:**

We have delivered a steady performance this quarter, achieving our all time high revenue of Rs. 276.4 crores, a growth of 15% year-on-year for the quarter ended June 2025. Achieving this milestone despite a challenging global backdrop is a strong reflection of our enduring customer relationship, the trust in our product quality and the relentless commitment of our entire team.

**Let me now share a few key updates from our operation during this quarter.**

Export continued to be a major growth driver, reaching Rs. 103.1 crores, a remarkable growth of 69% compared to the same period last year. The performance comes despite geopolitical and economic challenges and it is a testament to the sustained demand for our products in the global market.

While we continue to keep a close watch on the evolving global environment, we remain confident about our prospects, thanks to our diversified presence across geographies and our strong long-standing relationships with customers and dealers worldwide.

**On the domestic front:**

Sales remain largely stable. We recently secured a large order from one of India's leading integrated power plant equipment manufacturers. Looking ahead, we see a strong growth potential in the domestic Stainless Steel pipes and tubes market, supported by the ongoing shift from the unorganized to organized sector and revival in CAPEX by end user industries.

The domestic demand outlook overall remains positive.

On the order book side, our pipeline remains healthy at ~ Rs. 560 crores with a particularly strong inquiries coming from the power sector, an area where we expect to see sustained momentum in the months ahead.

**On the CAPEX front:**

Our projects for value added fittings and seamless pipes and tubes are progressing as planned, and we expect the new capacity to be commissioned in the second half of FY '26, along with seamless as announced previously. We will also be installing piercing lines to ensure we remain fully backward integrated.

In closing, this quarter has further strengthened our foundation. We have proved our ability to grow even in uncertain times, leveraging both our domestic and export strengths with a good order book, demand outlook, and a strategic investment in place, we are entering the next stage of growth with optimism and confidence.

Our focus will remain on delivering high quality products, nurturing customer trust, and creating long-term values for all our stakeholders. I am confident that the best is yet to come and together we will continue to raise the bar for performance in the industry.

Now, I hand over the call to Mr. Kunal Bubna, our CFO.

**Kunal Bubna:**

We are pleased to share that our company has delivered a resilient performance in the Q1 FY '26. On the revenue front, revenue from operations for Q1 FY '26 reached an all-time high at Rs. 276.4 crores compared to Rs. 240.1 crores in Q1 FY '25, reflecting a healthy 15% year-on-year growth. The revenue mix for the quarter stood at 55% from seamless pipe and 38% from welded pipe. Seamless pipe registered a revenue growth of 13% and welded grew by 10%.

On the EBITDA front, EBITDA for Q1 FY '26 stood at Rs. 44.9 crores compared to Rs. 47.9 crores in Q1 FY '25. EBITDA margin for the quarter was 16.2%. Profit after tax, PAT for Q1 FY '26 was Rs. 24.8 crores compared to Rs. 27.5 crores in Q1 FY '25 with a margin of 9%.

In closing, we remain optimistic about the journey ahead. With a clear strategy, ongoing investment in product expansion and a sharp focus on operational excellence, we are confident in our ability to deliver sustainable and profitable growth. Our goal is to further strengthen the Venus brand and set new benchmarks in the stainless steel pipes industry.

With this, I would like to open the floor for Q&A now.

**Moderator:**

Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Parth Bhavsar from Investec India. Please go ahead.

**Parth Bhavsar:**

Yes. Hi, sir. Sir, thank you for the opportunity. Sir, I have two questions. The first one, like in terms of this project that we won from the supercritical thermal power manufacture of Rs. 190 crores, have we started execution? And if yes, then how much have we executed yet till now?

**Kunal Bubna:**

No, that has not been started, but very soon we will be starting the same.

**Parth Bhavsar:**

Okay. And this is like the execution period is 15 months, I guess, right?

**Kunal Bubna:**

Yes.

**Parth Bhavsar:**

Okay. And sir, any update on orders from the likes of Aramco or ADNOC or any product approval that is placed yet?

- Arun Kothari:** See, as a company, on each quarter there are approvals being received, from the few companies other than what you mentioned. ADNOC is where we are already approved, so we keep on getting those approvals. And as you see, we do not categorically give the name of those approvals that are being received by the company. But again, as we said, out of the total order book of Rs. 560 crores, there is around 35% from export side. So, there is a healthy export order book also currently against which we supplying, which includes supply to Europe, USA, Middle East.
- Parth Bhavsar:** And sir, just pardon my ignorance that the order book was Rs. 560 crores, right?
- Kunal Bubna:** Rs. 560 crores, yes.
- Parth Bhavsar:** Okay. Perfect. Those are my questions, sir. Thank you.
- Moderator:** Thank you. Next question is from line of Sneha from Nuvama Wealth. Please go ahead.
- Sneha:** Hi, sir. Good evening and thanks a lot for the opportunity. Just a couple of questions from my end. Firstly, to start with, what is the share of exports to U.S. market, any impact on the tariff that we are seeing? Secondly, if you could speak about, that you mentioned strong order book starting, so would you be revising your guidance upwards or some flavor there? And when can we see stronger growth coming from Q2 if at all? You could just give some color on that would be helpful.
- Kunal Bubna:** See, from the tariff perspective, there had been changes in Section 232 tariff which has been on our product, which has made from 25% to 50% in the month of June only. But apart from that, we have not seen much effect from that. But as a company we are too cautious, we are also keeping a close watch on what will be going to happen. Out of the current order book of export, we have around 15% to 20% from USA side of the total export portion of order what we are currently carrying with us.
- And currently we are also reviewing those situations and seeing very close eyes and seeing how it stand out going forward. And keeping the healthy order book, we definitely believe we have given earlier guidance of around 20% overall growth at the top line. We believe definitely with this we will be able to touch at least 25% growth in this financial year.
- Sneha:** So, you are revising your guidance up from 20% to 25% for the volume.
- Kunal Bubna:** Around 25% for value.
- Sneha:** And anything on the margin front, because you have given 16% to 18% range at this point of time.
- Kunal Bubna:** We have maintained that & We maintain the same.

- Sneha:** Understood. Sir, lastly, on the Saudi Arabia market, there was a news in between that they put dumping duty on China and other markets. Any significant traction that you are seeing or would you like to highlight some new customer additions which are taking place from that particular market point of view?
- Kunal Bubna:** It should definitely happen. Yes. Arun ji, please.
- Arun Kothari:** Yes, definitely, it will give the good demand. In welded segment, we had already started to receive some of the orders from Saudi market, but still, we are pursuing with a number of clients and discussing ongoing orders with a number of clients. So, we are expecting good demand from the Saudi market in the coming months.
- Sneha:** That was very helpful sir. Lastly, on the CAPEX front, we are commissioning all the value added fittings, so could you give some timelines? Are they on track? When is the capacity expansion expected in these lines?
- Arun Kothari:** Basically, the backward integration expansion of seamless and fitting, these are the two projects, three projects which are currently under way. So, they are all running across and we believe that it will be completed by H2 of this year.
- Sneha:** Understood. Thanks a lot and all the very best.
- Moderator:** Thank you. Next question is from line of Dhruv Jain from Ambit Capital. Please go ahead.
- Dhruv Jain:** Thanks for the opportunity, sir. Sir, some questions. First is that on the new capacity addition that you have done and the incrementing capacities that are going to come through in this year, how should we think about the capacity utilization for FY '26 and FY '27 broadly? I am just trying to link it to your upgraded guidance. So, is the mix going to be that the ramp up in the value added is going to be a lot more sharp like incremental demand that is coming through?
- Kunal Bubna:** It will be mix. If you take the capacity utilization where the capacity will be panning out keeping those under consideration. The blended utilization should be near to 80%, what we believe, and for the coming year FY '27 it should be probably higher than that, keeping all the capacity would come by end of FY '26. And again, the blended utilization if you see the capacity of welded and seamless, it will pan out a bit somewhere 60-40 ratio would be there probably sort of that.
- Dhruv Jain:** So, this 80% capacity utilization blended you are talking on 42,000?
- Kunal Bubna:** Yes. On 42,000 but keeping the condenser tube plant which has come at a later date.
- Dhruv Jain:** And the new plant volume ramp up, how should we think about it, the second half fittings and the value added pipes that you mentioned?

- Kunal Bubna:** It should not be much for this year, but again, we are trying that by the last quarter we are able to start that but not much would be able to accrue in this year.
- Dhruv Jain:** Got it. So, in terms of the cost ramp up, right, so we have obviously seen a sharp jump up in employee cost and other expenses. Now, it could be presumably going to be exports and the CAPEX ramp up. But incrementally on these numbers or what kind of growth should we see or this number should now start to stabilize on a Q-o-Q basis?
- Kunal Bubna:** See, generally, yes, it should stabilize but again new capex is there & also, when the contribution of welded increase, so generally our -rm consumption cost likely increased and the other costs decreased to a certain extent, but as we believe it should definitely start stabilizing in the going forward quarters.
- Dhruv Jain:** Yes, but I am just talking about it from an absolute number perspective basically in the 1Q expenses?
- Kunal Bubna:** Absolute number, see, again it is very tough to give an exact number, but it should be near to this number. But again, see what happens is sometimes you have a different type of deliveries, if your export increase further, then this cost also increases. So, there are too many combinations and so on. So, these factors need to be taken into consideration.
- Dhruv Jain:** And sir, on the domestic market, right, so the revenue has dropped, just want to understand if the units have also considerably dropped, right, so how should we think about the improvement in the domestic market and the volume growth improvement in the domestic market? I know you have that new order bill that should contribute. But in general, apart from that demand requirement if you could just talk a little bit about that.
- Kunal Bubna:** See, primarily the demand as we said has been from power sector, but from other sector like not much is there, but again oil and gas, chemical, engineering are the other sector where we are looking into. So, we believe going forward there should be also demand from this sector.
- But though limited demands but there are many sectors. But see power, but again from power there is a very huge amount of demand which is coming , number of tenders floated for power, which is a new demand in the system, which was not there in the system in such quantity, I think that should also help.
- Dhruv Jain:** Yes. And sir, I know, I mean, slightly premature, but in FY '27 once all the capacity addition comes through, what kind of growth should we assume from a supply perspective or from a volume growth perspective?
- Kunal Bubna:** FY '26 to '27, again as all the capacity would be there, so we believe at least on the top line level 20% growth should be there.



- Dhruv Jain:** Get the point. Thank you so much and all the best.
- Moderator:** Thank you. Next question is from line of Shivkumar Prajapati from Ambit Investments. Please go ahead.
- Shivkumar Prajapati:** Yes. Hi, sir. Good evening. Thanks for taking my question. My first question is on export front. If we exclude the U.S. tariff impact, then where do we stand on the pricing and quality front in comparison to some South Korean or you say Chinese suppliers?
- Kunal Bubna:** See, the Section 232 tariff that is being increased in the month of June, it is majorly on all the entire country exporting to U.S. It is not standalone on India. So, it generally does not have much effect on India or other countries.
- Shivkumar Prajapati:** Okay. And sir, since we are growing strongly in the export market, say Europe, Middle East, so what percentage of export revenue is recurring versus one off order?
- Kunal Bubna:** See, generally recurring is there from USA, recurring is there from Europe, few recurring are also there from Middle East. And see, we are also adding a number of customers in all these geographies, new customers are being added, new partners, new distributors are being added. So, that we will keep on continuing and also, we are working on approvals. Approvals are being recieved and few more approvals are waited for which we are working towards that.
- Shivkumar Prajapati:** Okay, sir. And my last question is a bookkeeping question maybe. Can you please give the volume growth for seamless and welded for this quarter? And did we book any inventory loss or gain for the quarter?
- Kunal Bubna:** No, nothing as such and quantity figure we are not giving.
- Shivkumar Prajapati:** Okay. Thank you, sir.
- Moderator:** Thank you. Next question is from line of Pritesh from Lucky Investment Managers. Please go ahead.
- Pritesh:** Sir, what explains the decline in domestic business still? So, last year also you had a challenge, first quarter you also have a challenge. And the profitability or let us say, the lower profitability which got set in from quarter two of last year because of lower realizations, so that still continues in the industry and for you or there is any reversal in the incremental profitability on the order that you are taking in seamless and welded?
- Kunal Bubna:** So, from the domestic demand perspective, there has been subdued domestic demand. And also, see our strategy also was there to move more towards export to supply many of the country of the world to, that we did last year and also in the last quarter. But again, as we said, we are seeing good amount of demand in the power sector. So, we got an order from that.

And going forward also we will be bidding in few of the other contracts related to power and we believe few of them should also be won we guess. On the margin perspective, definitely yes, last year, year-on-year it was high. But it has been declining because there are few reasons behind that. First, there has been increase in capacity. Further, in case of welded, we were not supplying in export market like U.S. and other countries where we penetrated very newly in the last year.

So, those were the reason that has taken the margin down, and also subdued domestic demand was also one of the reasons for decline in margin. But going forward, see we are trying to maintain the margin above between 16% to 18%. There will be few more reason for that i.e. more value added products are coming into play. So, those should help us to improve the margin in the coming forward quarters to come.

**Pritesh:** So, which means the industry profitability is not reversed still on the incremental orders. Is that correct? So, whatever drop came, that drop still persists in the industry and for your orders, correct?

**Kunal Bubna:** Yes.

**Arun Kothari:** Yes. Pritesh ji, we at the Venus Pipes, we had the different advantage, we have the combination of the various Stainless Steel pipe in all the category of Stainless Steel pipe. With all this combination, we are new to develop the condenser tube pipe facility also, which is the high-end value added product in the welded pipe. Same way, we are planning to go on the fitting plant also, which will serve along with the pipe. We will able to supply the fitting also to our various client. That will also be operational in this last quarter of financial year. So, now all the product which have previously expanded, that was all the basic product we are supplying to every industry.

Now, in the last one year, what we are doing, we are going in more value-added products going forward or more value-added service we are going. So, that will give the advantage in the coming years or coming quarter after the complete capacity will be established. In the new phase, a new capacity expansion, we have already commenced the condenser tube plant. One phase is already completed. Another phase will complete in this Q2 of this year. Another is Q3 and Q4. By the Q4, all the our CAPEX will be done. So, that will give the value added products and value added service advantage in the next FY '27.

**Pritesh:** So, when do you start executing the condenser tube orders that you have got from BHEL?

**Arun Kothari:** No, still we have not got the order from BHEL for condenser tube. We are already participated in this tender or we are expecting that this tender will open in the coming next one weeks or two weeks.

**Pritesh:** So, the Rs. 190 crore order?

- Arun Kothari:** That was for seamless side, not condenser tube plant. That was not for welded tube it was for seamless out. Already, in this quarter, we will execute some almost 15% of the total quantity of the order, this quarter. Next quarter, we are expecting almost, say, 25% to 30%, or by the March, 25% to 30%, remaining will be the first quarter of the FY '27.
- Pritesh:** Which means that the domestic growth decline which started last year will start reversing from quarter two.
- Arun Kothari:** Yes.
- Pritesh:** So, we will start seeing domestic growth coming, right? And the margin improvement will be a function of the product mix change, not new rates.
- Arun Kothari:** Yes, sir. Definitely, sir.
- Pritesh:** Right. It is a product mix change.
- Arun Kothari:** Yes.
- Pritesh:** Okay. Now, on the volume growth side, what Bubna ji mentioned of about, Kunal mentioned about 20% - 25% volume growth. Can you tell us what was the volume growth in quarter one? And how much volumes in combined you did in quarter one?
- Kunal Bubna:** We are not giving such quantity figure for the quarter basis.
- Pritesh:** But quarter volume growth you can share? If 15% was the revenue growth, was the volume growth similar number?
- Kunal Bubna:** No, it was lesser than that.
- Pritesh:** Okay. Thank you and all the best to you, sir. Thank you.
- Moderator:** Thank you. Next question is from Surya Nayak from Sunidhi Securities & Finance. Please go ahead.
- Surya Nayak:** Yes. Thank you for giving me opportunities. So, just to understand the fittings of volume, by way it is supposed to know we can consider, so what would it constitute for FY '27 and '28? And I expect that the value wise it will be more than the seamless. So, if you can throw some light on that.
- Kunal Bubna:** Yes. Again, you are right, the quantity is very tough for fitting because those are sold generally in numbers and all. So, basically in FY '27, we believe the CAPEX would be in the range of Rs.

60 crores to Rs. 70 crores in fitting, and the top line which can come out of it can be around 3x or more than 3x. So, a certain percentage of that will come in FY '27 and beyond that in FY '28.

- Surya Nayak:** So, in terms of realization, if you can give some color to that.
- Kunal Bubna:** It is very tough to give. There are a number of products and it is sold in number. There are no specific realization which can I currently give.
- Surya Nayak:** Okay. And sir, regarding the raw material scenario, are we seeing the raw material scenario easing off? Or is it maybe it will be begin for us for segment of the current position or it will be it is hardening?
- Kunal Bubna:** Can you repeat? I am Unable to hear you.
- Surya Nayak:** What is the raw material scenario or pricing scenario?
- Kunal Bubna:** More or less, not too much change. It is more or less stable currently.
- Surya Nayak:** Okay. And sir, in terms of industry applications, our applications are majorly is from the thermal power stations or any other sectors we are actually getting major? What is the second and third contribution in terms of sectoral exposure?
- Kunal Bubna:** No, it is a diversified industry based, it is engineering, power, chemical, food processing, pharmaceutical, it is a mix type of industry which we supply. It is not a single industry we supply to.
- Surya Nayak:** But in the current order book, it is majorly thermal power stations?
- Kunal Bubna:** See, one of the bigger order as we said is Rs. 190 crores to Rs. 200 crores is from power industry, you are right, but apart from that, it is also considered export book. And apart from that, the orders from chemical, engineering, oil and gas, power and other sectors.
- Surya Nayak:** Okay. And do you see any risk from the tariffs? Are we going to export to the U.S. market or away from the U.S. market to other areas?
- Kunal Bubna:** No, see, as a company, our intent is to diversify across many geographies. We are supplying in Europe, USA, Middle East, South East Asia and African countries. But again, in case of USA, cautious of tariff, because nobody knows what tariffs will come tomorrow, today or someday after. So, those risks we see definitely from the U.S. side. But we think if it is there it will be for every company, it should not be much effective. But we are keeping a close eye on the scenario which is happening in the USA.

- Surya Nayak:** So, given any demand coming from the U.S., we will be, I mean, executing in orders despite lower realization due to the discounts and those things, I mean, related to the tariffs that can be demanded from the clients?
- Kunal Bubna:** No, definitely. You see, the intent will be no, on a very first, nobody would like to supply on a lower price. But see everything has to be seen, how the demand scenario is evolving in the entire country, in the entire world. The decision has to be made on economical basis only.
- Surya Nayak:** Okay. Thank you, sir.
- Moderator:** Thank you. Next question is from the line of Tanmay Jhaveri from Finterest Capital. Please go ahead.
- Tanmay Jhaveri:** Thank you for the opportunity. Sir, I need a clarification. So, in the presentation for the revenue mix, we have said 55% is from seamless, 35% is from welded, and 7% is from others. So, just 3% which is unaccounted. So, could you help me with this?
- Arun Kothari:** Can you repeat?
- Tanmay Jhaveri:** For the revenue mix, in the presentation, we have shared 55% from seamless, 35% from welded.
- Kunal Bubna:** No, it will be 55%, 38%, and 7%. Welded will be 38%, yes.
- Tanmay Jhaveri:** Okay. Thanks. And so, the second question is industry specific. So, across the stainless steel pipe, so are we seeing any structural demand shift? Or like, how do you expect industry pricing and margins in near terms?
- Kunal Bubna:** See, the shift is definitely there towards stainless steel, because of the quality which is carried. See, the industry, if you see many of the industries in the country, all are moving towards higher grades of pipe, higher quality of pipe, which can resist corrosion and etc. So, now, that is a very good change happening in the entire geography. So, that we think will help as a company, and going forward from here. Because of the quality and the corrosion nature what stainless steel can withstand, it will help us in going forward also.
- Tanmay Jhaveri:** And my last question is regarding the CAPEX. So, when we say that we have new projects coming up, so could you just give guidance on what will be the capacity of the new projects?
- Kunal Bubna:** See, again, it is slightly tough from the perspective because many of the tenders are floated. Those sometimes take time to finalize. So, giving a specific number is very tough for us from the side of company. But again, from the power generation side, we are seeing a good amount of demand in going forward quarter also.
- Tanmay Jhaveri:** Thank you so much, sir. All the best.

- Moderator:** Thank you. Next question is from line of Radha from B&K Securities. Please go ahead.
- Radha:** Hello, ji. Thank you for this opportunity. Sir, like you mentioned, the domestic demand has been subdued and in exports also, there is slight uncertainty. From oil and gas perspective also, the CAPEX is not so strong, and oil and gas remains one of the key user industries for stainless steel. So, while you are booking new orders or while bidding are you witnessing any pressure in terms of realizations in both seamless and welded pipes?
- Kunal Bubna:** See, not much on the side of seamless. We are able to get the orders for the rates we are generally trying to get. On the side of welded, there is a bit pressure. But again, we are trying to add value added and trying to expand through geography & sector which should take care of that in going forward quarters to come.
- Radha:** Okay. And sir, in terms of power bidding, sir, like you mentioned that you are expecting some orders to come from the power segment in the coming months. So, what is the market share for Venus in terms of the bidding or the order bid in terms of those biddings?
- Kunal Bubna:** See, again, it will be very specific to that. But again, there are few companies which bid for many of these orders. So, generally, the probability of you getting an order becomes good. But again, see, we already have a good amount of power order book. So, definitely, it will not be that we win in the singular quantum big order each time we bid. But again, they generally have a criteria where they give orders to one, two, and three basically. The lowest one and some to second and third lowest also some portion of it. So, generally, they try to give the kitty to many of them. That is how everybody gets a part share of those orders.
- Radha:** Yes. I just wanted to understand, suppose, if you are bidding for let us say 100 worth of projects, then in terms of those power biddings, is it fair to assume that at least 20% of the bids will be won by Venus?
- Kunal Bubna:** No, again, we cannot give you any specific. But it depends, on scenario, it can be, it cannot be. It can be more than that also. It is dependent on many of the factors, pricing and other factors.
- Radha:** Okay, sir. And sir, the SS pipe market demand of 3 lakh tons for India, you mentioned that you are expecting the shift from unorganized to organized. So, what percentage of the market is unorganized as of now? And how do you see them going forward?
- Kunal Bubna:** We believe there is shift, again, it is because the absolute data of stainless steel is not easy to get of the Indian market but those are generally hypothetical basis. we believe at least more than 20% should be unorganized market. And we believe out of that definitely, shifts are being started and it will keep on shifting towards this organized market.
- Radha:** Thank you, sir. I will come back in the queue.

- Moderator:** Thank you. Next question is from the line of Richa Chowdhary from Electrum PMS. Please go ahead.
- Richa Chowdhary:** Hi, sir. Thank you for the opportunity. I just want one clarification, out of the Rs. 175 crores CAPEX, how much did you mention for the fittings part? And exactly when do we see it commissioning? Is it second half or is it quarter four of this year?
- Kunal Bubna:** Quarter four of this year.
- Richa Chowdhary:** And how much would be the CAPEX amount out of Rs. 175 crores?
- Kunal Bubna:** Sort of more than Rs. 60 crores.
- Richa Chowdhary:** More than Rs. 60 cores. Okay. Thank you.
- Moderator:** Thank you. Next question is from line of Bhargav from Ambit Asset Management. Please go ahead.
- Bhargav:** Yes. Good afternoon and thank you for the opportunity. Sir, my first question is that this new plant, the new CAPEX that we are supposed to commission in the fourth quarter, was this primarily planned for exports or for the domestic market?
- Kunal Bubna:** No, it would be mixed, both domestic and export.
- Bhargav:** Okay. And assuming that U.S. also would have been part of these exports, is it fair to say that we can still continue to utilize it despite this tariff which has been announced?
- Kunal Bubna:** See the current, I think, current tariff which has been increased on our product is not much effective. But again, there is a lot of confusion about what will happen in the coming forward days or quarters to come. So, that is creating a lot of anxiety among all the distributors and traders. So, that is definitely a factor which needs to be considered.
- But again, we are exporting to many other parts of the world. We are trying to increase those shares and that was the only intent and that has been always to export to many parts so that if a few of the countries are affected, we as a company are not affected. So, we are working on that and I think we will try to see if we are least effected with all these factors coming into play.
- Bhargav:** Secondly, sir, you mentioned about this new tender for condenser tubes which is likely to be opened up soon. Is it possible to share what could be the quantum of this tender?
- Kunal Bubna:** Specific number would not be because those are scattered in many of the parts. So, giving a specific value will not be correct currently.

- Bhargav:** Okay. And lastly, sir, with this new facility getting commissioned, is it fair to say that our scope in the domestic market especially for the power sector will sort of increase and that would increase our probability of more orders from the power sector?
- Kunal Bubna:** Definitely. See, when you win a big order like that, as we said, we will be supplying the same. So, when you supply to them, definitely a lot of confidence are built in the system to the many other power manufacturers in the country. So, I think definitely it should help us to win more order on that side.
- Bhargav:** And lastly, how is the payment schedule for the BHEL order? I hope, it is not that working capital heavy.
- Kunal Bubna:** No, it is not working capital heavy.
- Bhargav:** Okay. Thank you very much and all the very best.
- Moderator:** Thank you. Next question is from the line of Devarsh Shah from Sunidhi Securities & Finance. Please go ahead.
- Devarsh Shah:** Hello, sir. Thank you for the opportunity. So, my first question was with respect to the revenue growth. So, is the growth mainly because of the volume growth or is it because of the price growth?
- Kunal Bubna:** No, it is the volume growth also.
- Devarsh Shah:** Okay. Volume growth.
- Kunal Bubna:** For the annual what we are considering, the rate set now is based on the volume only.
- Devarsh Shah:** Okay. So, just wanted to ask like what would be the price growth? Like will it revive from Q2 onwards?
- Kunal Bubna:** Again, see, this keeps on changing and again, the mix of many other things also play. But currently what we are seeing is more of an extent stable, currently.
- Devarsh Shah:** Okay. And second question was like I wanted to get some clarification upon this list plan. So, there are new plans which is coming. So, will it be commissioned in Q4 of this year or will it be commissioned in next year?
- Kunal Bubna:** Q4 of FY '26. The new project.
- Devarsh Shah:** Okay. Sir, thank you for the opportunity.



- Moderator:** Thank you. Next question is from line of Parth Bhavsar from Investec India. Please go ahead.
- Parth Bhavsar:** Yes. Hi, sir. Sir, I just have one question. Sir, I wanted to understand that gradually, like as we move towards more value added products, are there and which means that you should be handling better grades of SS. So, are there any limitations on the piercing side of things? And eventually, you would have to move towards hot extrusion? Sir, basically, just wanted to understand the capability of piercing versus hot extrusion in terms of handling higher grades as we move to more towards value added products.
- Kunal Bubna:** Arun ji, you are taking?
- Arun Kothari:** Yes. Parth ji, it is a very debatable matter about the extrusion and the piercing. But right now, the lot of technology development has been happening in the piercing or now we are able to do a lot of grades as required by the client. But definitely some of the grades right now we are not able to do as we don't have extrusion facility. But extrusion facility requires a very high CAPEX or very high payback period. So, once we have the capacity to establish for the high grade of product, which will be able to do the better utilization of the extrusion.
- So, definitely we will plan. We are not denying that we will not plan. We may plan. It depends on the circumstances and in future capability of the venus. If venus will be able to develop the product, which requires a higher grade or we will be able to serve with our existing piercing facility, so then we will plan definitely.
- Parth Bhavsar:** Fair enough, sir. Sir, that answers my question. Thank you.
- Moderator:** Thank you. Next question is from the line of Radha from B&K Securities. Please go ahead.
- Radha:** Hi, sir. Thanks again. Sir, with regards to the power, as per the current product SKUs that you have, so what is the pipe demand in terms of metric tons that you can supply per megawatt of power plant? And is there a headroom to increase the product portfolio to increase the content of pipes per megawatt of power plant?
- Kunal Bubna:** See, again, there are the rough thumb rule for that. But what we generally see, it is primarily a thumb rule of 1,800 metric tons boiler pipe/tube per 800-megawatt project is generally what we heard. But again, it varies from project to project. Again, number of factor and number of other technical factors can also play.
- Radha:** Okay, sir
- Kunal Bubna:** And apart from that, these are it is a boiler tubing demand, apart from that, there are demand for condenser and other side of the power plant also.

- Radha:** Yes. So, sir, I wanted to understand, you mentioned only 1,800 metric tons of boiler tubes, so including boiler tubes, condenser tubes, and all other product portfolio that you have in your current SKUs, what should be this 1,800 number look like?
- Kunal Bubna:** No, again, it is not specific one, but only what I am trying to say for each megawatt, the requirement what I have said, but again, depending on my mix on the order and many other variable there.
- Radha:** Yes, sir, that answer was not complete. Just wanted to understand the content of pipes per megawatt of power plant that you can supply with the current product portfolio and with new product introduction, how much can you increase it with the piercing capacity?
- Kunal Bubna:** See, again, it is a mixed. Entire condenser tube can go in power plant. My tubing capacity maximum, if I want to give, I can give to power plant. But again, it is all depends on what type of order, see, I want to be taking entire order from power plant. So, I cannot give any specific capacity or number that I intend to give to power plant. So, it all depends on the pricing and many other factors.
- Radha:** Okay, sir. And sir, in fitting the EBITDA per metric tons will be same as seamless or can it be even higher?
- Kunal Bubna:** See, in case of fitting, definitely in the year to start, you would be requiring the requisite qualification from the customer. But we generally see when you developed this business, it can be a slightly higher margin business as compared to the other business what we are currently doing. So, those rooms for margin are there because there are less number of fitting manufacturer in the country.
- And again, when you supply a product in the entire mix along with pipe, and again, you are supplying fitting together, then you get a better opportunity, get a higher edge on the side of fitting. So, definitely it should be high as compared to the other products that are currently working, but after the approval and all.
- Radha:** Lastly, bookkeeping question here, how much of the Rs. 175 crores CAPEX has been completed till now? How much will you be spending in FY '26?
- Kunal Bubna:** In this entire year, it will be spending around Rs. 120-odd crores.
- Radha:** Thank you, sir and all the best.
- Moderator:** Thank you very much. Next question is from line of Aasim Bharde from DAM Capital Advisors. Please go ahead.

- Aasim Bharde:** Yes, hi. So, just one question on the U.S. market. Now that everyone outside has a 50% duty to bring products into the U.S., does that make any local producers in the U.S. competitive? Just wanted to understand how would the landscape change for domestic players? Or would approvals remain the mainstay? So, players like you or even your peers who have been in the U.S. for long, their markets technically would not be affected, any color on the U.S. market post tariffs?
- Kunal Bubna:** Definitely, yes, those increased tariffs make the domestic one slightly more competitive. But again, there are many sizes, which goes from India to U.S. are few are not being manufactured or those entire availability is not there in the U.S. So, again, that is why the supply will be keep on going towards the U.S. in coming forward quarter also. But again, if there are further more duties or more things happening that may create a hindrance and that will be seen how it pan out.
- Aasim Bharde:** Would it be viable for us to like plan a future capacity in the U.S. just to make us competitive vis-à-vis imports in the U.S. market?
- Kunal Bubna:** See putting a facility in U.S. or any other part of the world, we as a company see not only specific U.S., the company keep on internally working, but something comes up for any place in the entire world, we will definitely update you.
- Aasim Bharde:** Okay. Sure. Thanks. That is it from my side.
- Moderator:** Thank you very much. I now hand the conference over to the management for closing comments.
- Arun Kothari:** Yes. Thanks, everyone, for attending this conference call. We hope that we were able to get all the questions answered of all the participants. If any further questions, you may contact to our SGA, our Investor Relations advisor for any further query. Thank you once again.
- Moderator:** Thank you very much. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.